

SALMON RECOVERY FUNDING BOARD

MINUTES – REGULAR MEETING

April 14 & 15, 2005

LaQuinta Inn & Conference Center
Tacoma, Washington

Day 1

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Steve Tharinger	Clallam County
Brenda McMurray	Yakima
Jim Peters	Olympia
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources
Stu Trefry	Designee, Conservation Commission

CALL TO ORDER

Chair Bill Ruckelshaus opened the meeting at 1:10 p.m.

MANAGEMENT AND STATUS REPORTS

Director's Report

Director Laura Johnson reviewed agenda items for the two-day meeting and also for upcoming meetings.

- Joint meeting with IAC in May
- Regular meeting in June
- July's meeting – possible tour or presentations
- October's meeting – regional coordination and Northwest Power Coordinating Council issues in Eastern Washington

Financial Services Report

Director Johnson presented this agenda item. (See notebook item #2b for details.)

Director Johnson reported on two pieces of correspondence received:

1. A letter from NOAA concerning Pacific Coastal Salmon Recovery Fund (PCSRF) money that is available for fiscal 2005 allocation. The letter also details NOAA's expectations for spending the funds. The total appropriation is \$25 million, but after congressional earmarks, rescissions, and administration costs, we should actually receive about \$14 million.
2. A copy of a letter from NOAA to Oregon, pointing out where Oregon is falling behind in monitoring and reporting efforts. The letter also calls out how the Oregon legislature has used its PCSRF funds for agency budget items.

Chair Ruckelshaus highlighted how the federal funds are becoming harder to get for a variety of reasons, including the increasing resistance on the part of Congress to spend

money for salmon recovery, and the changing of people and relationships in Congress. We did receive money this year but it is getting more difficult. Both the Congress and the federal agency that oversees the use of these funds are increasing oversight on what is being done with this money. We have spent our money in ways that are directly related to salmon recovery.

Director Johnson then reviewed the financial status report.

Personnel Update

Bruce Crawford has taken on an additional duty in the office. He will be handling some of the internal monitoring and technical issues at IAC. Bruce will be working on efforts around the Governor's new Government Management Accounting and Performance (GMAP) efforts and also performance measures.

Dick Wallace also recognized Laura's reappointment as director of the IAC.

Project Management Report

Neil Aaland provided an overview of the project management report. (See notebook item #2c for details.)

Mike Ramsey and Brian Abbott gave a PowerPoint presentation of five completed projects:

- #01-1235 – Capitol Land Trust Eld Inlet/McClane Creek Habitat Acquisition and Restoration Project,
- #01-1409 – South Puget Sound SEG Lower Yelm Restoration Project,
- #02-1591 – South Puget Sound SEG Little Skookum Valley Phase 1 Passage Project,
- #01-1312 – Hood Canal SEG Tarboo Creek Habitat Restoration Project, and
- #01-1431 – North Olympic Salmon Coalition East Fork Chimacum Extension.

Legislative Report

Jim Fox provided an update on legislative issues. (See notebook item #2d for details.)

Jim reviewed several bills of interest to the SRFB:

- SB 5610 passed out of the House today. Among other things this bill recognizes regional salmon recovery boards, authorizes SRFB to provide funding to regions, and extends the life of the Governor's Salmon Recovery Office (GSRO) and defines its duties through June 2007.
- HCR 4406 would have created a task force to look at local and regional efforts, but this bill died.
- SB 5355 extends the sunset of the Lower Columbia Fish Recovery Board to 2010.
- SB 5539 would have established a veteran's conservation corps. This bill died but may come back through a budget proviso.
- SB 5914 addresses transferring land purchased by the SRFB to federal agencies for management purposes. This bill has passed in the House and Senate.

All five citizen members are up for confirmation but, as of today, they had not been scheduled.

Tim Smith asked if any floor amendments were adopted on SB 5610. Jim explained that one amendment by Representative Kelli Linville on how boards are formed was adopted.

Chair Ruckelshaus asked if Jim knew why the amendment to include the Monitoring Forum was stricken. Jim reported that Representative Jim Buck had concerns about the mixture of watershed health and salmon recovery so that was stricken from the bill.

The Chair discussed the interconnection between lead entities, regions, monitoring, and salmon recovery and how difficult this is to portray to legislators. He noted that he has resisted any legislative earmarks on SRFB funds.

Tim Smith noted the increase in the capital budget amount. Work on the PCSRF money highlighted the need for state contributions and, as soon as we are able to call to inform the Congress that the state has increased from \$12 to \$20 million, it will be a real boost in the congressional support.

Governor's Salmon Recovery Office Report

Chris Drivdahl did not provide a report at this time but will be on the agenda during the Regional Recovery Board presentation. Chris did want to recognize Benton County Commissioner Leo Bowman who attended today's meeting.

WATERSHED HEALTH AND SALMON RECOVERY MONITORING WORKSHOP REPORT

Bruce Crawford provided an overview of the April 13-14 Monitoring Workshop and Governor's Forum on Monitoring (Forum) meeting.

Bruce began by explaining the history of the status and trend monitoring issue and how the workshop came about.

The workshop was held yesterday bringing together federal, state, tribal, and local representatives to look at six of the indicators. From Bruce's viewpoint, the workshop was an outstanding effort, bringing together policy and science minds to discuss the issues. The Forum did come together at this morning's meeting and created several subcommittees to work on developing recommendations.

The proposal being brought to the SRFB is a request to assist in funding a design framework to create a freshwater habitat and water quality monitoring plan including a remote sensing portion as well as some on the ground work using volunteers for some of the monitoring efforts. The request is for the SRFB to fund \$20,000-\$40,000 for the Forum to build a proposal that would come to the SRFB at a future meeting. Fish are not included in this proposal.

Chair Ruckelshaus is co-chair of the Forum and wants to be sensitive to this perceived conflict. What Bruce is asking is to bring a more detailed proposal back to the Board for additional funding. Habitat health and water quality issues are two of the indicators that are key to salmon recovery efforts. Status and trends monitoring will give us the most information, but it will take longer. The items that we are asking for are the indices that

would provide this information in the short-term while waiting for the longer-term status and trend results. We need to answer the questions we get from Congress with more certainty. This is a very good effort and the Chair gave Bruce credit for pulling this effort together and getting people to share existing monitoring efforts.

Craig Partridge asked what the role of the SRFB is in funding monitoring in general and in specific status and trends monitoring.

Chair Ruckelshaus responded that people come to the SRFB to get funding for items when they don't have other funding sources. We need a better system for funding the different efforts and need to figure out a way to work with other government agencies to see if we can find out who is responsible for them. We still haven't answered the question of who's in charge.

Craig asked for clarification on the request which includes a portion for creating the design, additional money for developing the design, and then the money for implementing the design. Does this mean the board is taking on full responsibility of this effort?

Bruce explained that the framework would allow all entities to build on it. It is not Bruce's intent to have the SRFB take on all of the funding, but to develop a design for different entities to work through.

Dick Wallace pointed out that, in addition to fish, this is looking at watershed health and in all three of the agency budgets there is a proviso for monitoring efforts.

Stu Trefry asked if it makes sense for agencies with that proviso to be on the subcommittee.

Bruce replied that it is necessary since it will be pulling together existing monitoring efforts and making improvements to them.

Jim Peters understands that there will be a \$400,000 request coming forward later but is not sure where the rest of this is coming from.

Bruce explained that the Forum realized the original proposal was missing key components and players and would like to have the proposal reviewed and revised to bring in all the players. Bruce hopes to bring a proposal back to the Board at its June meeting.

Steve Tharinger made a **MOTION** to provide a nominal amount to be negotiated by Director Johnson, to not exceed \$40,000 for the Forum to bring back a proposal for development of a framework looking at habitat and water quality status and trend monitoring. Jim Peters **SECONDED** the motion.

Steve asked why, after all of yesterday's workshop discussions, fish in and fish out was not included in this proposal.

Bruce replied that there is a subcommittee charged with looking at the fish in fish out issue and he sees a possibility of adding a fish category to this process, although not likely.

Tim Smith clarified that this proposal is for fresh water habitat for fish and water quality for

fish, not habitat in general.

Steve noted the importance of developing a framework on the different issues.

The motion was **APPROVED** for up to \$40,000.

MONITORING REPORT – TETRA TECH

Bruce Crawford introduced Jennifer O'Neal of Tetra Tech EC Inc. to provide the annual report on the Reach Scale Effectiveness Monitoring Program. This is the first year information.

Jennifer presented the preliminary findings of Tetra Tech. (See handout for details.)

Bruce reported that this year they would be monitoring 57 out of 90 projects in 9 categories with 10 projects each. Some of the categories are missing datasets since they are not the highly requested projects.

Tetra Tech works with each of the project sponsors to identify the sites and get control sites.

Jim Peters asked what standard was used to measure bank full width.

Jennifer reported that one of the partners provided this data and so she is unsure of the standards used.

Director Johnson had hoped to be able to have Jennifer provide this report to the Monitoring Forum also but, due to their full agenda, was unable to do that. It clearly presents what it takes to do a professional monitoring project.

Jim Fox asked if it would cause a problem if someone comes along with a project proposal in the control reach or impact area.

Bruce replied that it shouldn't be a problem, although we would need to flag the projects and look at them on a case-by-case basis.

Jennifer reported that all the monitoring information has been entered into the monitoring workbench of PRISM.

MULTIPLE LEAD ENTITY ASSESSMENT PROJECTS

Jim Fox introduced this agenda item. (See attachment #5 for details.)

Director Johnson reviewed the scientific portion of the memo profiling scientific research projects that have focused on salmon recovery science. (See #5b and attachments 1-7 for details.)

The conclusion: There is no current salmon recovery science strategy in Washington. There do seem to be some agreed-to priorities, but no central point or process for reaching agreement on the priorities. There are numerous activities benefiting salmon that aren't

called "salmon" science, such as climate studies. This is an issue that the Chair has discussed in the past and has concern with.

Three example projects, two from Puget Sound, that seem to be relevant to the SRFB multi-LE assessment issue and salmon recovery research are the Puget Sound Action Team (PSAT) Nearshore Chapter for the Shared Strategy, the Puget Sound Nearshore Ecosystem Restoration Program (PSNERP) project and the NOAA Technical Review Team (TRT). The TRT is looking at salmon recovery science but not salmon recovery science research.

Doug Myers presented a quick overview of the nearshore science work being done by the PSAT.

Tim Smith asked Doug to give an overview of the PSNERP science plan. There is a research plan imbedded in the science plan. This research plan has six different science goals including the social side of the research. This will be a living document that will be able to include the SRFB findings through assessments conducted through its funding.

Tim reported that he is optimistic that this research plan will be finalized soon.

Director Johnson noted that the Board has had a policy to only fund assessments that lead to projects and has not funded research only projects. The assessments being presented today may help the SRFB with future funding decisions.

NOAA will be using Puget Sound for a nationwide pilot project on nearshore research with the Independent Science Panel (ISP) for scoping or to be an expert reader and peer reviewer. The governor sees the need for a science academy.

Chair Ruckelshaus' concern is not with any of the specific projects, but with the SRFB's role in funding projects that are described as an assessment but are also research projects. What he would like is a way to identify priorities for the research. The Chair found "From the Edge" to be a broad research plan for guiding policy.

The Chair is concerned with the Board funding projects that he has no way of judging the benefit to salmon recovery. He would like to see how the proposals fit into the "From the Edge" guide and to see this document updated and more focused on the Puget Sound.

Jim Fox noted that there are four proposals still waiting for a funding decision. The Board has had a presentation from the first two proposals but today they are presenting an integrated proposal. The Board has not had a presentation from the remaining two proposals and will have the first presentation today.

Kevin Ranker, San Juan County Commissioner and Pacific Northwest Regional Manager of Surfrider Foundation, provided an overview of their project. The budget on the first two projects has been cut nearly in half due to the coordination of efforts.

Terry Williams, Tulalip Tribe, discussed his role with this coordinated proposal and what his group will get out of this research. He appreciates the discussions the Chair has had with Usha Varanasi of NOAA and looks forward to an opportunity to work with NOAA on this collaborative proposal. This proposal will plug one of the existing holes in the nearshore

information in his area.

Kurt Fresh, NOAA, thanked the board for considering this proposal. The proposal, as now being presented, is very different from the original two projects. There is still some communication to help this project along.

The question is not what is the research agenda for Puget Sound but what types of information do you need to make decisions on good projects.

Chair Ruckelshaus agrees that is another question that should be raised, but we do need to put the proposals into a research plan.

Craig Partridge congratulated the group on the work they have done to combine the two proposals and asked what the budget will be.

Kevin replied that they are still working on the final proposal but are looking at about \$1.3 million where the original proposal was closer to \$1.8 million.

Steve Tharinger asked about Kurt's comment on NOAA not knowing about the combined proposal yet.

Kurt explained that he works in the science center and is not aware of how the funding portion of NOAA works. The formal proposal and budget are not before the Board at this time.

Steve is concerned about the SRFB funding what looks like information for Critical Areas Ordinances (CAO) and wonders about the possibility of another source for funding this effort.

The Chair feels there are still concerns and the Board is not ready to fund this today.

Brenda McMurray noted that these folks are being very upfront and honest in what they will be using this data for and that the Board may have funded other projects that have also been used for local policy making.

Terry realizes this has been a moving target and would like to sit down with Jim to finish fleshing out the proposals.

Jim Peters observed the key part of past funded projects has resulted in a list of projects. He would like to see a list of projects included in the final proposal.

The Chair believes Proposal C is in support of A and B. This Board has not had the discussion for a need of an overall research plan.

Public Testimony:

Strait of Juan de Fuca Proposal

Anne Shaffer, representing WDFW, the Elwha Tribe and Clallam Marine Resources Committee, discussed the Strait of Juan de Fuca piece of the proposal. There is a huge data-gap in the nearshore piece of the Elwha restoration. The proposal was brought to the SRFB through the North Olympic Peninsula Lead Entity (NOPE). This project was ranked

number three in technical review but came before the board as the seventh ranked project. The original multi-LE proposal covered Clallam County, the new combined project removed the Clallam County portion of the proposal.

River Restoration Project

Steve Thompson, Snohomish County Public Works Deputy Director, Bob Aldrich, Watershed Steward, and John Engle, River Management Supervisor, provided an overview and highlighted the positive aspects of the River Restoration Project. (See handout for details.)

Tim Smith asked if this project was just submitted through the RFP or through the lead entity process.

This was just through the RFP as timing brought the proposal forward at the time of the RFP release. This was not brought before the lead entity.

Chair Ruckelshaus doesn't see the link to salmon recovery with this project.

One of the main items is the connection through permitting of bank stabilization zones.

University of Washington proposal

Brian Collins, University of Washington, presented this proposal providing an overview of the project and history of how this proposal was developed.

Benefits to funding this project:

- Planning and assessment information
- Project planning and monitoring

The Chair asked if Brian has worked with the TRT in Puget Sound? He's been asking them for three years where the funding is needed and so far they haven't answered him.

Brian has talked to them and understands that there are missing gaps.

The Chair feels the scientists need to get together and develop a salmon scientific research plan. The Board needs to have some way to understand where these projects fit in the overall scheme.

Brenda McMurray appreciates the dialog on a scientific agenda but wonders how we look back on our work in watersheds where we have depended on lead entities and will be looking to regional plans to identify projects. The Board has funded EDTs and other projects that were identified through a locally identified process. She is leery to look back and have another source to drive the project selections.

Dick Wallace asked what the role of this Board is in salmon recovery? He feels the Board may also need to review its overall role in the project funding.

The Chair noted that it's a very valid point but still need to have some context into which to put this.

The Board will be looking at all three proposals and discussing tomorrow morning.

REGIONAL RECOVERY BOARDS – PHASE II SUPPORT

Chris Drivdahl, GSRO, and Jim Kramer, Puget Sound Salmon Forum, presented this agenda item.

Every region that is still working on a recovery plan is on schedule. Original intent was to come to the board for funding implementation plans in June but not sure they will be ready for implementation at that time. They will be back in June with a transition-funding request to fund through December.

Lower Columbia's roll out by NOAA begins on April 18.

Jim Kramer discussed current work being done in the Puget Sound and priorities developed by both the Puget Sound Lead Entities and the Regional Boards. Questions were raised about who is going to do what during the implementation phase. Are we getting the protection we need and are the incentive programs the right ones?

Jim talked about how Washington's regional planning is one of the most inventive and cutting edge in the nation. He suggested the Board fund a small contract with someone who could go through and record the process, and its successes and failures. Would like to come to the Board in June and then in November to talk about what happens after that.

Chair Ruckelshaus believes we need to know what needs to be done to implement the plans in every region. What is the role of the regional board, and the role of the SRFB, to make suggestions to the legislature on next steps.

Brenda McMurray would also like to know what the plans are doing for the state and how these efforts stay together.

Chris reported that NOAA has the same concerns. They don't want to have to go to each of the lead entities for information. They want to have one location (the GSRO) to work through the issues.

Brenda asked if the six-month funding would be enough or if the Board should look out farther.

Jim Kramer would like to keep it at the six-month deadline to keep NOAA's feet to the fire to get through their process.

Jeff Breckel noted that they probably wouldn't have been able to give the Board a two-year implementation plan with any accuracy a year ago.

Jim Kramer noted that the Shared Strategy would go away once the plan is adopted where other regions will continue on.

Meeting recessed for the evening at 7:00 p.m.

SALMON RECOVERY FUNDING BOARD

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Day 2

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Steve Tharinger	Clallam County
Brenda McMurray	Yakima
Larry Cassidy	Vancouver
Jim Peters	Olympia
Dick Wallace	Designee, Department of Ecology
Tim Smith	Designee, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources
Stu Trefry	Designee, Conservation Commission

Day 2 – The meeting reconvened at 8:20 a.m.

LEAD ENTITY ADVISORY GROUP (LEAG) REPORT

Doug Osterman provided an overview of the March 14, 2005, LEAG meeting reviewing lead entity activities and issues.

The role of lead entities as regional groups get into place was discussed. Lead entities are still needed for project support and local efforts.

Discussed regulating efforts presented in regional plans and who is responsible for these activities.

Larry Cassidy talked about the issue that isn't discussed: What about watersheds that can't be recovered?

Doug congratulated the Board on the open process that has been used for the 6th Round.

Dick Wallace asked about the lead entity funding process.

Tim Smith explained the WDFW process for providing funds to the lead entities.

UPPER COLUMBIA RIVER – TRIBUTARY FUND

Bob Bugert, GSRO, provided a presentation on the Upper Columbia Tributary Committee funding project. (See notebook item #8 for details.)

The Tributary Committee's Habitat Conservation Plans (HCPs) provide funds for projects that protect and restore salmon in the Upper Columbia Region. These funds are intended to compensate for 2% of the unavoidable mortality to salmon at each of the three hydroelectric projects. Funds will also be set aside to evaluate effectiveness of projects. The Committee will stress innovative approaches to difficult issues, such as habitat protection. They plan to

fund a lot of projects in British Columbia.

Chair Ruckelshaus asked Bob if he is working with the lead entities to develop the funding plan.

Bob replied that lead entities have been very helpful in developing this process.

Bob reviewed the grant round policies.

General Projects:

- \$25,000 minimum – no maximum amount
- One cycle per year
- Projects completed in 5 years
- Use the phased approach
- Pre-proposal process

Small Projects:

- \$1,000 to \$25,000
- Grant cycle open through the year
- Simplified application and evaluation process
- Projects completed in 2 years

The Committee hopes to coordinate with the SRFB process, using the same lead entity strategy and recovery plan, once it's adopted. One of their goals is to help sponsors come up with their 15% match so that they may qualify for SRFB grants.

Bob explained that the grant money comes from mitigation funds from dams in the Upper Columbia region. They do not want to use them in place of SRFB funds but as a complement to the SRFB funds.

Jim Peters discussed the conservation plans he has been involved with and wants to know the clear responsibility of the PUDs in funding these projects. Need to make sure it is very clear who is responsible for what, and that there is a clear distinction on who is responsible with both.

SIXTH ROUND GRANT PROCESS

A panel of Neil Aaland, Steve Leider, Rollie Geppert and Doug Osterman presented the information. (See item #10 for details.)

Neil provided an overview of the decisions needed at today's meeting.

Strategies and Recovery Plans: How do lead entity strategies fit in with regional recovery plans?

Regional plans are due on June 30 for all except Lower Columbia. This timing is a challenge for this grant round.

Doug provided his thoughts on the timing with lead entities. The focus now is to meet the deadlines and that process includes conversations with the regions. It is a rolling process

with exchange of information between lead entities on chapters of the plan. There is built-in consistency with what needs to be done to recover salmon which should help with project selection.

There is a huge amount of work to do to meet the June 30 deadline. Will be developing project lists while developing the recovery plan so should be able to link the two processes, just in a different level of detail.

Doug noted the key difference in the Puget Sound region is that the region is saying that individual chapters need to address four delisting criteria – abundance, productivity, spatial structure, and distribution.

Chair Ruckelshaus emphasized that it is critical that our review team understand the differences in the areas with a recovery plan and how the plans are being enforced.

Steve Leider noted how that applies where the questions overlap. Our review panel also asks about community support where the TRTs don't.

The Chair feels we are in a transition period and need to make sure we work with the new process where possible.

Steve Tharinger wondered if we are requesting too much information from the lead entities.

Doug responded that there is a need to ask questions but also need to make sure the review panels understands what they're being asked to do without actually doing the job of the regions or TRTs.

There was discussion on process and staff recommendations.

Craig Partridge asked about specificity, focus, and prioritization and whether they are the same for the TRTs, or a SRFB concern only.

Steve Leider replied that he has tried to get a response from all the TRT leads and found they are different, but some issues are the same. The four criteria that Doug mentioned earlier are what all the TRTs are looking at when reviewing projects.

The Chair believes we need to work toward the regional plan so we don't use two processes.

Brenda McMurray is okay with the draft regional plan to use in the SRFB process. She would like to leave it up to the lead entity to decide whether they want to use the regional plan or the lead entity strategy.

Craig agrees with Brenda and wants to make sure the process is clear and transparent and that review criteria isn't made up at the last minute.

April 30 is the lead entity deadline to submit to the Shared Strategy.

Larry Cassidy talked about the Northwest Power and Conservation Council (NWPCC) funding of three projects at yesterday's Council meeting and that the projects had funding

from the SRFB. Larry was concerned because NWPCC requires a science screen and his staff had said not to worry because the projects had the science screen through the SRFB process. His question – where does this science screen come in?

The Chair and others explained that the projects all went through the local science review and then were reviewed through the SRFB review panel but this may not be the level of science screen that the Council is talking about.

Doug reported that lead entities might be treated differently depending on where they are in the process. The three processes were presented during the February meeting.

Larry asked if the Puget Sound Recovery Plan would address the hatchery element.

The Chair responded that yes, the hatchery element will be addressed in the Puget Sound Recovery Plan.

Tim Smith pointed out how attachment A puts the burden of presenting how the projects fit into the strategy, but this may need to be the Review Panel's role.

Decisions:

- Focus on use of regional recovery plans where there are recovery plans.
- Combine bullets 2 and 3 to have Review Panel find out if the strategies fit into the plan.

Steve Leider asked about areas that want to include unlisted species.

The Chair noted that we have clear direction from the federal money to focus on listed species.

Strategy Evaluation Process: How to evaluate strategies?

Neil Aaland provided background information on the evaluation process.

Staff recommendation:

- Continue to evaluate strategies for specificity and focus and not rely on past scores.
- Panel will take into consideration available comments on recovery plans.

Jim Fox reviewed the strategy guide under Tab #10f. There are no substantive changes, only clarification. He noted proposed revisions to the guide.

Dick Wallace is concerned that there is still no way to review for quality in this recommendation.

Neil reported that staff has had some discussions on this issue, especially with the transition to regional plans.

Chair Ruckelshaus sees the need to focus on areas without a recovery plan. The recovery plan will be reviewed for quality. Need some qualitative review of the strategies, even if it is poor, medium, or good.

Brenda McMurray asked if there was a way to evaluate the strategies. Since the guidance has a list of criteria, questions could be pulled out of that document.

Steve Tharinger agrees that there needs to be some review of the strategies. Ran into problems last year with not having the strategies reviewed. He recommends using the guide to develop some questions to evaluate the strategies.

Jim Peters would like to keep the process simple.

There was discussion of possible options for reviewing the quality of the strategies in areas not falling under a regional recovery plan.

Neil summarized his understanding that, in areas where there are no recovery plans, the Board would like staff to find some way to review the strategies.

Tim Smith noted that recovery plans would not have gone through review by the end of this funding cycle since they will have been worked on but not reviewed.

Jim Fox feels that whatever scoring method is used, we need have consistency across the regions.

The Chair noted that there won't be consistency across the five regions and we need some type of gross ranking of the strategies. Suggested giving the assignment to the review panel of ranking the three lead entity strategies and look at process for TRTs in regional plans and provide a summary of these also.

Steve Leider is concerned with consistency across the state.

Brenda McMurray also wants the TRT information included in the SRFB process in a consistent way.

Comments from Lead Entities without regional plans:

Lee Napier, Grays Harbor County Lead Entity, is confused by the earlier conversation. She has always gotten feedback from the review panel, although not always useful feedback. She wonders if this is going to be another new process.

The Chair noted that we have never asked the review panel to come back to the Board with a quality judgment of the strategy. The review panel informed the Board if there was a strategy and if there was a list, not the quality of the two.

John Sims, Quinault National Lead Entity, talked about the following issues:

- Lead entities should not be ranked on merit.
- Prefers Option A as far as the timeline.
- The Board should not try to shoehorn all issues into one grant cycle – maybe a two-year process.
- Level the field between the region and non-region areas.
- Have a mini-workshop with the lead entity coordinators and staff to work through these issues.

Mike Johnson, Pacific County Lead Entity, agrees strategies should be reviewed. In Pacific County, they looked at the strategy guide and came up with a multi-species approach for prioritizing and he hopes the review panel will remain flexible and allow them to do that.

Staff will set up a work session to work with three lead entities on the review process.

Dick Wallace believes a workshop is a good idea. He wants to make sure there is equity across the state.

Selinda Barkhuis, North Olympic Peninsula Lead Entity, commented that this process is very complicated for her. The lead entity is half in the region and half out so she is trying to figure out how to work through this.

Steve Tharinger noted that Dungeness is very involved in the regional process and should be able to help Selinda with this portion of the process. Hopes that she will help with the plan.

Selinda is in favor of the September 30 deadline as she needs additional time to finish the proposal.

Jeff Breckel gave a regional perspective on the issues. In transitioning from strategy to recovery plans, some areas of the plans will be very specific in priorities but others will not be as clear. The Board needs to look at what credentials are needed to identify priorities. TRT review is not the magic certification on what is a good project. There are other levels of review. A recovery plan needs to cover both the fish and the public perspective. Suggests the Board consider what would happen if a WRIA comes in with a project for a non-listed species. Need to look at the technical peer review that these projects have had.

The Chair noted we are relying on the review that has already been done. We don't need another technical review – just describe what review has gone on.

Dick asked Jeff about timing and process.

Jeff responded that they have looked at certainty and are looking at specificity of projects.

Project Evaluation Process: How to evaluate project lists?

Neil Aaland provided background on the project evaluation process.

Staff recommendation:

1. Continue to evaluate the fit of the project list to the strategy.
2. Review lead entities' explanation of how priorities of their strategy mesh with regional priorities.
3. Lead entities may submit long project lists to provide the context of salmon recovery plan/strategy.
4. Lead entities must use the SRFB's benefit and certainty criteria.
5. No fix-it loops are scheduled to address specific project issues after the application deadline.
6. The review panel will continue to identify projects of concern.

7. Continue to use special review groups to provide the panel with preliminary evaluations of all submitted fish passage and nearshore projects.

Board discussion:

Members agreed to continue with list and projects of concern as recommended by staff.

There is concern with benefit and certainty since it is different from the recovery plan's project evaluation process. We need to use the same benefit criteria the recovery region uses when there is a recovery region.

There was consensus that it would be better to have the first fix-it loop in process in November. May need longer time for review meetings in November.

Doug Osterman noted that lead entities would prefer a November date for project presentation, clarification of strategies, and to address any projects of concern. He feels this would be a much more efficient method for all concerned.

Review Panel

Neil Aaland provided background and staff recommendations for the review panel.

Staff has received 19 responses to our review panel Request for Qualifications and Quotations (RFQQ). After review by Doug Osterman, Rollie Geppert, Steve Leider, and Jim Peters, the group was narrowed down to 11.

Chair Ruckelshaus feels there is a need to have a community relations review of the strategies and plans so would need to make sure to have a person with that expertise on the panel.

Time Schedule

Neil provided background and reviewed the options on the time schedule for the grant cycle.

After discussion, the Board approved Option A:

Sept. 30, 2005	Deadline for lead entities to submit all application materials
November 2005	Lead entity presentations to Panel
Jan. 5-6, 2006	Funding allocations

Funding Allocation

Neil provided background information on funding allocation.

Staff would like the Board to approve the basic elements of the funding approach at today's meeting. Will come back with a full proposal for funding allocation in June.

Brenda McMurray and Dick Wallace had suggested 25% at the last meeting. Dick would like the first increment to be up to 35% and look at other options at the June meeting.

Doug noted that LEAG discussed this at their last meeting and would like a minimum of 35%.

Eligible/Ineligible Projects

Rollie Geppert talked about the Forest & Fish group meeting. The response from Lenny Young, co-chair of Forest & Fish, was that they didn't have time to render a decision at their last meeting and would probably not have a decision for the 2005 grant cycle.

Craig Partridge stated that his March 25 memo was his own way to explain the process and not the viewpoint of the Department of Natural Resources.

Martha Lantz, Assistant Attorney General, has reviewed the statute for eligibility of Forest & Fish projects. She believes the statute provides board discretion on what projects to fund.

Brenda McMurray feels there has been some confusion with projects legally obligated under regulation. The board has funded some passage projects that may be required but when it comes to Forest & Fish projects, the board is not funding them. She wonders whether the Board would be in any danger of choosing to fund some of these projects and not all of them.

Martha responded that the word "may" is used and, therefore, up to the Board to decide whether to provide funding. The statute does state, however, that you cannot fund mitigation projects.

Steve Tharinger made a **MOTION** to make forest land projects eligible as defined under criteria by staff and in Craig's memo. Jim Peters **SECONDED** the motion.

Jim Peters explained that this was a self-imposed regulation on Forest & Fish projects. His distinction is between small landowners and large timber companies – he is okay with providing assistance to small landowners. DNR would be ineligible.

Public comment:

Doug Osterman heard from five lead entities in support of the conditions laid out in Craig's memo, as long as the projects are part of the lead entity project lists. In some cases, the barriers are not fish passage barriers but threaten downstream resources.. He wonders if the Board wants to address this. It could be on a list to address with other concerns.

Craig does not believe this is a legal forest practices requirement so it wouldn't fall under this category. There are numerous Road Maintenance and Abandonment Plan (RMAP) requirements that the SRFB would probably not want to fund.

Selinda Barkhuis is in favor of the motion to make forest projects eligible for funding but would like to remove the restriction to not consider DNR a small landowner. There is a lot of DNR land in her area that needs to be fixed and this process is about people, not entities. She is concerned with the RMAP criteria issue.

Dick observed that the U.S. Forest Service is obligated under Ecology to meet or exceed Forest & Fish requirements. It's illegal to block fish and not screen diversions and we have funded this type of projects in the past. We've also funded acquisitions where Forest & Fish laws would protect the land.

The Chair talked about earlier Board discussions on this issue.

Dick feels he may be biased on this issue since he was involved in Forest & Fish.

Brenda asked for clarification on the motion regarding small landowners.

Craig talked about the FFFP program and how this was set up to help small landowners. His understanding of the motion is to go beyond this program to help small landowners.

Director Johnson suggested the Board consider the motion in concept and bring it back for final resolution in terms of details on small landowners and threshold number of years.

Steve and Jim both agreed to **CHANGE MOTION** to approval in concept.

Brenda would still like to hear back from the Forest Practices Board as she believes the large landowners are key to salmon recovery. She wondered if there is a fix-it loop in the RMAP process that could address these concerns.

Craig noted the forest industry has spent over \$15 million in correcting blockages and will be spending many millions more. They are meeting their financial commitment and are under a lot of scrutiny. Craig tried to explain in his memo his rationale on why a project may be lower on the RMAP priority than it is for the local priority.

The Chair would not put all the restrictions on the programs. He would leave restrictions on small landowners and use trial and limitation period. He will vote for concept as it now stands but would like to not micro-manage the details.

Selinda Barkhuis would like the large landowners to be included, since they have the most resources.

Brenda would encourage staff to look at the current FFFPP and see if we need an additional small landowner process.

The motion was **APPROVED IN CONCEPT**. Staff will bring the issue back in June for further consideration.

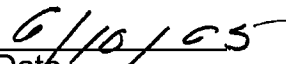
SUBCOMMITTEE REPORT

Brenda gave a quick review of the Amendment Subcommittee memo. (See notebook item #7 for details.)

The April 2005 meeting was adjourned at 1:00 p.m.

SRFB APPROVAL:


William Ruckelshaus, Chair


Date

Future Meetings: May 12, 2005 – Joint IAC/SRFB Meeting – Tukwila
 June 9 & 10, 2005 – Columbia Room – Olympia